



# Course Outline

## AS ACCOUNTING

### Year 12

*Inspiring excellence, empowering global minds*

### Syllabus overview Aims

The aims are to enable students to understand the role of accounting as an information system for monitoring, problem-solving and decision-making, thereby appreciating the ethical issues that underpin the practice of accounting and their impact on the behaviour of the accountant and of businesses. Students also need to appreciate the place of accounting in managing business change in response to economic, social, and technological developments and develop the ability to apply and evaluate accounting concepts, principles, policies and practices.

### Learning Outcomes Overview

Pearson AS Accounting Learning Outcomes Overview

#### 1. Understanding Financial Statements:

Demonstrate knowledge of the purpose and components of financial statements, including the income statement, balance sheet, and cash flow statement.

Understand the concepts of revenue, expenses, assets, liabilities, and equity.

#### 2. Recording Financial Transactions:

Accurately record financial transactions using double-entry bookkeeping.

Prepare and maintain accounting records, including journals and ledgers.

#### 3. Adjusting Entries and Year-End Procedures:

Understand the purpose of adjusting entries and be able to prepare them.

Demonstrate knowledge of year-end procedures, including the preparation of financial statements and closing entries.

#### 4. Analyzing Financial Performance:

Calculate and interpret key financial ratios to assess a business's performance, liquidity, solvency, and profitability.

Understand the implications of financial ratios for decision-making.

#### 5. Budgeting and Forecasting:

Prepare budgets and forecasts to assist in planning and control.

Understand the importance of variance analysis in evaluating performance against budgets.

#### 6. Understanding the Role of Accounting in Business:

Recognize the importance of accounting information in business decision-making.

Understand the ethical considerations and responsibilities of accountants.

#### 7. Knowledge of Accounting Standards:

Demonstrate awareness of relevant accounting standards (e.g., IFRS, GAAP) and their application in financial reporting.

Understand the impact of regulatory frameworks on accounting practices.4.1  
Activity based costing (ABC)

4.2 Standard costing  
4.3 Budgeting and budgetary control  
4.4 Investment appraisal

## Ongoing Objectives

The foundation of Business is to understand what happens within a business. At AS Level candidates develop an understanding of what a business is, what it wants to achieve and who is involved. Candidates develop the vocabulary to understand how a business operates and learn how to analyse what the business does. Every business is different, understanding its context is important to be able to understand the decisions that it makes and the motivations of those involved. the AS

## Unit Overview

### Term 1

**Unit 1: Principles of accounting and double entry bookkeeping    Approximate length: 4 weeks.**

The role and purpose of accounting in Pearson AS Accounting encompass financial reporting, decision-making, and ensuring accountability and transparency. It provides essential information for stakeholders to assess a business's financial position and performance, guiding strategic planning and operational decisions. Accounting is vital for performance measurement, budgeting, and planning, as it facilitates resource allocation and compliance with financial regulations. Additionally, it aids in risk management by identifying financial risks and enabling businesses to optimize their resources for maximum returns.

#### Overview

- Role and purpose of accounting.
- Double entry system
- Non-current asset depreciation

**Unit 2 – Control procedures**

**Approximate length: 4 weeks**

Control procedures in Pearson AS Accounting are essential for safeguarding assets, ensuring accurate financial reporting, and promoting operational efficiency. They involve establishing internal control systems, requiring authorization for significant transactions, and maintaining meticulous record keeping and documentation for accountability. Segregation of duties is practiced to minimize the risk of errors and fraud, while regular reconciliations of accounts help identify discrepancies. Continuous monitoring and periodic reviews assess the effectiveness of these controls, and training employees on their responsibilities enhances adherence to established protocols.

#### Overview:

- Trial balance
- Correction of errors

**Unit 3 – Financial statements of organisations****Approximate length: 4 weeks**

Financial statements in Pearson AS Accounting serve as structured representations of an organization's financial performance and position, crucial for decision-making by stakeholders. They include the income statement, which summarizes revenues and expenses to show profitability; the balance sheet, which details assets, liabilities, and equity to provide a snapshot of financial stability; and the cash flow statement, which highlights cash inflows and outflows, indicating liquidity. Compliance with accounting standards (e.g., IFRS, GAAP) ensures consistency and transparency, while stakeholders analyze these statements using techniques like ratio and trend analysis to evaluate financial health and make informed decisions.

**Overview:**

- Financial statements of sole traders
- Departmental records
- Partnership
- Clubs and non-profit-making organisations
- Manufacturers

**Term 2****Unit 4 – Introduction to costing****Approximate length: 4 weeks**

Costing in Pearson AS Accounting involves determining the total costs associated with producing goods or providing services, which is essential for effective budgeting, pricing, and financial decision-making. It categorizes costs into fixed costs, which remain constant regardless of production levels; variable costs, which fluctuate with production volume; and semi-variable costs, which have both fixed and variable components. Key costing methods include job costing for specific projects, process costing for continuous production, and activity-based costing (ABC) for accurate overhead allocation based on resource usage. Understanding costing is vital for setting product prices, controlling expenses, and maximizing profitability, while various costing reports facilitate informed decision-making regarding financial planning and resource allocation.

**Overview:**

- Valuation of inventory
- Labour costs
- Overhead costs
- Job costing

**Unit 5 – Analysis and communication of accounting information  
weeks****Approximate length: 4**

The analysis of accounting statements in Pearson AS Accounting is essential for evaluating an organization's financial performance and position, aiding stakeholders in making informed decisions regarding investments, credit, and management strategies. It primarily focuses on the income statement, balance sheet, and cash flow statement, employing analytical techniques such as ratio analysis to assess profitability, liquidity, and solvency; trend analysis to identify performance patterns over time; and comparative analysis to benchmark against similar organizations. This analysis is crucial for identifying strengths and weaknesses, guiding strategic planning, and enhancing financial management. However, it may be limited by the quality of financial data, changes in accounting policies, and external economic conditions that can influence interpretations.

**Overview:**

- Ratios
  - gross profit as a percentage of revenue
  - percentage mark-up
  - profit for the year as a percentage of revenue
  - return on capital employed (percentage)
  - non-current assets to revenue
  - inventory turnover
  - current ratio
  - liquid (acid test) ratio
  - trade payables payment period
  - trade receivables collection period.
- The profitability, liquidity and use of asset ratios in appraising sole traders and partnership financial statements.
- Use of ratios to make future financial projections., liquidity, and efficiency of an organisation.
- the limitations of accounting information

**Unit 6 - Social and ethical accounting**

**Approximate length: 4 weeks**

Social and ethical accounting in Pearson AS Accounting emphasizes the consideration of social and environmental impacts in financial reporting and decision-making, highlighting corporate responsibility and sustainability. Ethical practices ensure transparency, integrity, and accountability, fostering trust among stakeholders such as investors and the community. Corporate Social Responsibility (CSR) reflects an organization's commitment to ethical business conduct, including sustainability initiatives and fair labor practices. Various reporting frameworks, like the Global Reporting Initiative (GRI), help organizations disclose their social and environmental performance alongside financial statements. Engaging stakeholders is essential for understanding their expectations regarding social and ethical practices, although challenges such as balancing profit motives with ethical considerations and measuring social impact can arise.

**Overview:**

- Social accounting
- Ethics

## Assessment

**Formative:** Pearson AS Level Accounting, like other Pearson subjects, is based on a detailed syllabus that outlines the course content and skills to be acquired. Formative assessments are an essential part of the teaching and learning process as they provide ongoing feedback that can be used by instructors to improve their teaching and by students to improve their learning. Incorporating these formative assessments can provide a holistic learning experience for students and offer teachers insights into their students' progress and understanding. We align the assessments with the learning objectives of the syllabus and adjust based on the unique needs of your students. This can include Quizzes and Tests, Topic-wise Quizzes, Case Study Analysis, Interactive Activities like Accounting Journals,

Balance Sheet Puzzle, Group Work, Company Analysis: Assign different companies' financial statements to groups. Let them analyze and present their findings, Accounting Debates, Homework Assignments, Class Participation, Discussion Questions: Pose open-ended questions about real-world accounting scenarios or recent financial news, Peer Teaching, Feedback and Reflection.

Throughout each episode, lesson and within the AS syllabus, feedback is maximized to focus children on exam technique and applying their learning coherently. Formative written feedback, in the copybooks and oral comments given immediately after learning, steer children to more formal examination-based answers and mark schemes. High quality peer feedback is scaffolded and developed, so that children are analytical in their feedback. This can be further reflected on for self-assessment. Children are empowered to make decisions on the direction of their learning. They evaluate and analyse their performance in both practical and theory lessons and activities. The course also provides many opportunities to kinesthetically assess the theory work as well as the practical work. The standard of performance is assessed against the past paper mark schemes and success criteria from the AL specification. This helps children improve their performance as they progress across the course. They are also given the opportunity to use mechanical and technological sports apparatus, which provide a constant stream of immediate feedback for the tracking of assessment. Alongside assessed pieces of work, teachers will carry out ongoing formative assessments and give children regular formative feedback to help them improve.

### **Summative:**

1. End-of-Unit Exams: Written Examinations: After completing significant units (e.g., financial accounting, cost, and management accounting), organize an exam to test students' grasp of concepts, theories, and applications.

Question Types: Incorporate a mix of multiple-choice questions, short-answer questions, data response questions, and extended essay questions.

2. Mock Examinations:

Conduct full-length mock exams that simulate the actual Cambridge A Level Accounting exam in terms of content, structure, and timing. This helps students acclimate to the exam format and conditions.